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INFORMATION REPORT

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SUBJECT Recent Information on the
Soviet Oil Administration (SMV)

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SUPPLEMENT TO
REPORT NO.

SECURITY INFORMATION

SMV Purchasing Office

1. Kusin, Soviet director of the SMV Purchasing Office, is still busily trying to hire new employees for this office and particularly for the market survey (Konjunktur) section which he established during the last week of March 1950.* [REDACTED] an unnamed Soviet national was assigned to the Purchasing Office as Kusin's deputy.
2. SMV employees have learned, however, that Kusin does not have complete authority over personnel matters. During the last week of March 1950 SMV Headquarters suddenly ordered three Austrian employees, whom Kusin had summarily fired only three weeks previously, back to their former jobs until they are released from SMV employ with two months' termination pay on 30 June 1950.** SMV employees are inclined to believe that the Central Committee of the Austrian Communist Party may have had a hand in the temporary reinstatement of their colleagues. Many feel that the Central Committee has increased its control over the management of both SMV and USIA personnel. Some believe the SMV may have removed Kasyura, Kusin's predecessor as head of the Purchasing Office, and other SMV officials at the request of the Party.

3. Kacerovsky, who recently assumed Mittelman's position as an SMV purchasing agent, is a native of Vienna. It is said that Kacerovsky was a Schutzbundführer until 1934 when he fled Austria to Spain. The SMV Purchasing Office now pays him a salary of 1,500 schillings per month.*(3)

SMV Purchases

4. [REDACTED] the SMV Purchasing Office made the following purchases:

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<u>Firm</u>	<u>Item Purchased</u>	<u>Payment in Schillings</u>
Richard Kress	400 work suits	30,968.00
Maschinenfabrik Bernhard, Stadl-Paura bei Lambach	1 high-speed laths	18,650.00
"Regional"-Grosshandel Robert Teichner & Co., o.H.G.	Electrical material	6,376.86
Fritz Schreidl	Work clothing	22,050.00
Hönig*(4)	Electrical material	7,775.40
Böhler Gebr. & Co., A.G.*(5)	Steel	1,930.00
Pelzl & Brudl	Electrical material	10,862.39
Holzbauwerk Franz Havlicek	wood	7,623.15
"Chemia" Chemikalien G.m.b.H.	Hydrochloric acid	4,626.64
Latzel & Kutscha, G.m.b.H.	Steel pipe	37,525.95
Siemens & Halske G.m.b.H.	Spare parts	1,239.35
Brixlegg Montanwerke G.m.b.H.	Heavy spar	3,598.16
Eisen- und Stahl A.G. *(5)	Steel	4,974.30
"Standard" Ges. fuer Techn. Artikel	Rubber fan belts and spare parts	22,603.18
Kellner & Kunz K.G.	Tools	12,711.94
St. Egydyer Eisen- und Stahl-Industrie G.m.b.H.*(5)	Steel cable	148,575.00

Procurement of Sulfuric Acid

5. "Chemia" Chemikalien G.m.b.H. now receives regular deliveries of sulfuric acid from Budapest.*(6) These shipments are despatched from Hungary to Austria via Czechoslovakia. In this connection SMV employees have noted with some curiosity that many of the large pipe shipments which are shipped by barge as far as Budapest are also received from Hungary by rail via the Czechoslovakia.

Shipments from the Soviet Union

6. [REDACTED] the SMV Central Warehouse in Neusiedl a/d Raba received the following shipments from the Soviet Union:

- 9 carloads containing 210,910 kilograms of pipe from the Andreyeva metallurgical plant in Taganrog.
- 2 carloads containing 49,810 kilograms of pipe from Dnjeprovsk (sic).
- 2 crates containing 99 kilograms of ball bearings from the L.M. Kaganovich ball bearing factory.

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Pipe line from Muehlberg to Prague

7. According to Riha, supervisor of the SMV central storage area at Neusiedl, SMV construction crews are working at top-speed to repair an old German pipe line which runs from Muehlberg to Prague. Riha also alleges that the SMV is now laying a line from Muehlberg to the Neusiedl storage area.* (7)

New SMV Office Building in Vienna

8. SMV officials have been advised that they will be able to move into the Porr A.G. building on Getreidemarkt in Vienna I on 25 April 1950.* (8)

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* [REDACTED] Comment: It is interesting to note that according to a report, [REDACTED]

[REDACTED] Kusin has also established a price analysis unit within the SMV Purchasing Office.

(2) [REDACTED] Comment: For an account of Kusin's dismissal of Engr. Gebel, Woerle, and [REDACTED]'s wife, all of whom have been temporarily reinstated by SMV Headquarters, see [REDACTED]

(3) [REDACTED] Comment: For previous reports on Kacerovsky; cf. [REDACTED]

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(4) [REDACTED] Comment: Hönig may refer to Ludwig Hönig, Vienna XII, Grünbergstrasse 5.

(5) [REDACTED] Comment: Firms marked with asterisk 5 are USIA-controlled firms.

(6) [REDACTED] Comment: [REDACTED] that because Abencher Solvay Werke have stopped selling hydrochloric acid to "Chemia" Chemikalien G.m.b.H., the SMV plans to purchase this commodity from Hungary. It is possible that [REDACTED] means hydrochloric acid, though he specifically stated "Schwefelsäure", because he has consistently reported that the SMV purchases its sulfuric acid requirements from the USIA firm, Donau Chemie A.G. in Liesing.

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(7) [REDACTED] Comment: For a previous report on this pipe line to Czechoslovakia, see [REDACTED]

25X1A (8) [REDACTED] Comment: See [REDACTED]

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